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*The Packers  
and  
Stockyards Act*

**As It Applies to  
BOOKS and RECORDS  
of LIVESTOCK DEALERS**

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Agricultural Marketing Service • Packers and Stockyards Division • Washington, D. C.

**T**HE PACKERS AND STOCKYARDS ACT is a Federal statute that regulates the business practices of those engaged in interstate or foreign commerce in the marketing of livestock and live poultry and in the packing of meat and poultry. The law was passed by Congress in 1921 and was last amended in 1958.

Regulations issued under the Act set out rules for fair and ethical business conduct and free, open competition in the purchase of livestock and poultry and in the sale of meats, meat food products, livestock products in unmanufactured form, and poultry and poultry products.

The Packers and Stockyards Division, Agricultural Marketing Service, is the U.S. Department of Agriculture agency responsible for enforcing the provisions of the Act. The Division maintains district offices, each of which is charged with administering the law in a specified area of the country. A list of these offices and the area covered by each appears on pages 6 and 7 of this publication.

*Issued January 1962*

# The Packers and Stockyards Act as It Applies to Books and Records of Livestock Dealers

## Are you subject to the Act as a dealer?

The Packers and Stockyards Act defines a dealer as *any person, not a market agency, engaged in the business of buying and selling in commerce livestock, either on his own account or as the employee or agent of the vendor or purchaser.*

## Do you fit into that category?

### If so, you must keep proper records

Besides meeting other requirements of the Act, you must keep accounts, records, and memoranda that *fully and correctly* disclose all transactions involved in your business. In every instance, these books and records must show the *true ownership* of the business, by stockholding or otherwise.

### Regulations under the Act require you to—

- Make and keep an accurate record of the number and weight of livestock bought, sold, or otherwise disposed of each business day and the prices paid or received for this livestock.
- Keep any books, records, documents, or papers that contain, explain, or modify transactions in your business under the Act. This means you must keep in an orderly file all copies of accounts of sale, accounts of purchases, scale tickets, invoices or bills, sales slips, bank statements, deposit slips, and any other receipts or billings issued or received by you in your livestock buying and selling activities. These items may not be disposed of without the written consent of the Director, Packers and Stockyards Division.

### How complete must your records be?

Although the record-keeping requirements of the Act are quite broad in scope, your records may be fairly simple and still comply with the law. In any case, records must *fully and correctly* disclose all trans-

*actions.* No false or fictitious name may be used in any records, scale tickets, sales sheets, or purchase sheets.

On pages 4 and 5 is an example of a suggested dealer's purchase and sales journal. This journal will meet the requirements of a daily record of your purchases and sales. At the same time, you can record your expenses, your beginning and ending inventories, and can determine your profit or loss each week.

### Besides your daily records of purchases and sales, you should keep—

- A check register
- A cash receipts journal
- A general ledger accounts book. This should be used to record all your general accounts, such as cash in the bank, accounts receivable, notes receivable, fixed assets, accounts payable, notes payable, and taxes payable.

### It pays you to keep proper records because—

Accountants with the Packers and Stockyards Division may check your accounts to see that you are observing provisions of the Packers and Stockyards Act and to make sure the financial condition of your livestock business is sound.

When violations of the Act are discovered, warnings may be issued or formal charges may be filed against the violators. These formal charges may result in the issuance of an order to cease and desist from the practice complained of. In serious cases, a violator's registration under the Act may be suspended for a specified period. This would bar him from conducting his operations in commerce during that period of time. Criminal violations, such as false or misleading *accounting*, may be referred to the Department of Justice for prosecution.

# SAMPLE—PURCHASE AND SALES JOURNAL

*(Left side of journal)*

| Date<br>1961 | Purchased from—             | Date<br>paid | Head, kind    | Weight,<br>pounds | Price per<br>cwt. | Amount     |
|--------------|-----------------------------|--------------|---------------|-------------------|-------------------|------------|
| 8-7          | Connors Auction Co.         | 8/7          | 12 steers     | 12,000            | \$24.50           | \$2,940.00 |
| 8-8          | Ocean L. S. Auction         | 8/8          | 22 calves     | 6,600             | 26.25             | 1,732.50   |
| 8-9          | Sea Breeze L. S. Auction    | 8/9          | 28 calves     | 7,560             | 24.50             | 1,852.20   |
| 8-10         | High Auction Co.            | 8/10         | 32 mx feeders | 17,640            | 20.25             | 3,572.10   |
| 8-11         | Cattle Sales Co.            | 8/11         | 12 cows       | 10,800            | 14.85             | 1,603.80   |
| 8-11         | Cattle Sales Co.            | 8/11         | 12 calves     | 1,680             | 23.75             | 399.00     |
|              | <i>Expenses</i>             |              | 118           | 56,280            |                   | 12,099.60  |
| 8-7          | Gasoline                    | \$10.75      |               |                   |                   |            |
| 8-7          | Feed                        | 8.50         |               |                   |                   |            |
| 8-10         | Truck repairs               | 14.75        |               |                   |                   |            |
| 8-11         | Gasoline                    | 9.80         |               |                   |                   |            |
|              |                             | 43.80        |               |                   |                   |            |
|              | Beginning inventory         |              | none          |                   |                   |            |
|              | Purchases (add)             |              | 118           | 56,280            |                   | 12,099.60  |
|              | Ending inventory (subtract) |              | 12            | 10,800            |                   | 1,603.80   |
|              | Cost of sales               |              | 106           | 45,480            |                   | 10,495.80  |
|              | Sales (net)                 |              | 106           | 45,250            |                   | 10,735.14  |
|              | Cost of sales (subtract)    |              | 106           | 45,480            |                   | 10,495.80  |
|              | Gross profit                |              | 0             | 1,230             |                   | 239.34     |
|              | Expenses (subtract)         |              |               |                   |                   | 43.80      |
|              | Net profit                  |              |               |                   |                   | 195.54     |
| 8-14         | Beginning inventory         |              | 12 cows       | 10,800            | (at cost)         | \$1,603.80 |
| 8-14         | Connors Auction Co.         | 8/14         | 16 steers     | 16,480            | \$23.75           | 3,914.00   |
| 8-15         | Ocean L. S. Auction         | 8/15         | 3 calves      | 870               | 24.00             | 208.80     |
| 8-15         | Ocean L. S. Auction         | 8/15         | 10 calves     | 3,115             | 22.00             | 685.30     |
| 8-15         | Ocean L. S. Auction         | 8/15         | 10 calves     | 2,705             | 22.50             | 608.63     |
| 8-16         | Seabreeze L. S. Auction     | 8/16         | 17 calves     | 4,875             | 22.75             | 1,109.06   |
| 8-16         | Seabreeze L. S. Auction     | 8/16         | 10 calves     | 2,970             | 22.85             | 678.65     |
| 8-17         | High Auction Co.            | 8/17         | 1 cow         | 870               | 14.60             | 127.02     |
| 8-17         | High Auction Co.            | 8/17         | 3 cows        | 2,730             | 13.75             | 375.38     |
| 8-17         | High Auction Co.            | 8/17         | 1 cow         | 885               | 13.95             | 123.46     |
|              | <i>Expenses</i>             |              | 83            | 46,300            |                   | 9,434.10   |
| 8-14         | Feed                        | \$15.00      |               |                   |                   |            |
| 8-15         | Gasoline                    | 8.50         |               |                   |                   |            |
| 8-15         | Truck tire                  | 64.00        |               |                   |                   |            |
| 8-15         | Gas and oil                 | 10.50        |               |                   |                   |            |
| 8-17         |                             | 98.00        |               |                   |                   |            |

# SAMPLE—PURCHASE AND SALES JOURNAL (Continued)

(Right side of journal)

| Date | Sold to—                         | Date paid | Head, kind         | Weight, pounds | Price per cwt. | Amount (gross)        | Yardage and trucking | Commissions |
|------|----------------------------------|-----------|--------------------|----------------|----------------|-----------------------|----------------------|-------------|
| 8-8  | XYZ Pkg. Co-----                 | 8/8       | 12 steers-----     | 11, 930        | \$24. 80       | \$2, 958. 64          |                      |             |
| 8-10 | Larke Pkg. Co-----               | 8/10      | 50 calves-----     | 14, 030        | 26. 50         | 3, 717. 95            |                      |             |
| 8-10 | John Brown-----                  | 8/10      | 32 mx feeders----- | 17, 640        | 20. 75         | 3, 660. 30            |                      |             |
| 8-11 | Cattle Sales Co-----             | 8/11      | 12 calves-----     | 1, 650         | 24. 50         | 404. 25               |                      | \$6         |
|      |                                  |           |                    | 106            | 45, 250        | Gross sales-----      |                      |             |
|      |                                  |           |                    |                |                | Less commissions----- |                      |             |
|      |                                  |           |                    |                |                | Net sales-----        |                      |             |
| 8-11 | Ending inventory-----            |           | 12 cows-----       | 10, 800        |                | (at cost)-----        |                      |             |
|      |                                  |           |                    |                |                |                       |                      |             |
| 8-14 | XYZ Pkg. Co-----                 | 8/14      | 16 steers-----     | 16, 460        | \$24. 50       | \$4, 032. 70          |                      |             |
| 8-14 | J. H. Smith-----                 | 8/14      | 12 cows-----       | 10, 790        | 15. 25         | 1, 645. 47            |                      |             |
| 8-15 | Larke Pkg. Co-----               | 8/16      | 50 calves-----     | 14, 455        | 23. 75         | 3, 433. 06            |                      |             |
| 8-17 | High Auction Co-----             | 8/17      | 5 cows-----        | 4, 460         | 14. 50         | 646. 70               |                      | \$10        |
|      |                                  |           |                    | 83             | 46, 165        | Gross sales-----      |                      |             |
|      |                                  |           |                    |                |                | Less commissions----- |                      |             |
|      |                                  |           |                    |                |                | Net sales-----        |                      |             |
|      | Beginning inventory-----         |           |                    | 12             | 10, 800        |                       |                      |             |
|      | Purchases (add)-----             |           |                    | 71             | 35, 500        |                       |                      |             |
|      |                                  |           |                    | 83             | 46, 300        |                       |                      |             |
|      | Ending inventory (subtract)----- |           | none               |                |                |                       |                      |             |
|      | Cost of sales-----               |           |                    | 83             | 46, 300        |                       |                      |             |
|      | Sales (net)-----                 |           |                    | 83             | 46, 165        |                       |                      |             |
|      | Cost of sales (subtract)-----    |           |                    | 83             | 46, 300        |                       |                      |             |
|      | Gross profit-----                |           |                    | 0              | 1 135          |                       |                      |             |
|      | Expenses-----                    |           |                    |                |                |                       |                      |             |
|      | Net profit-----                  |           |                    |                |                |                       |                      |             |

<sup>1</sup> Pounds weight loss.

## **PACKERS AND STOCKYARDS DIVISION DISTRICT OFFICES AND AREAS COVERED**

(1) **Alabama, Florida, Georgia:**  
207 Race Street, P.O. Box 1389  
Montgomery 2, Ala.  
(Telephone: 262-2485)

(2) **California, Arizona, Nevada (except north-eastern corner):**  
Room 405, Wilson Building  
5905 Pacific Boulevard  
Huntington Park, Calif.  
(Telephone: Ludlow 5-7415)

(3) **Colorado, northern New Mexico, south-eastern Wyoming, western Nebraska:**  
406 Livestock Exchange Building  
Stockyards Station  
Denver 16, Colo.  
(Telephone: Keystone 4-4151, Ext. 452  
and 467)

(4) **Indiana, Michigan:**  
238 Livestock Exchange Building  
Indianapolis 21, Ind.  
(Telephone: Melrose 7-1200)

(5) **Iowa (except southwestern corner), South Dakota:**  
Room 224, Livestock Exchange Building  
800 South Chambers Street  
Sioux City 7, Iowa  
(Telephone: 5-5077)

(6) **Minnesota, North Dakota, northwestern corner Wisconsin:**  
208 Post Office Building  
P.O. Box 297  
South St. Paul, Minn.  
(Telephone: Glenview 1-7149)

(7) **Mississippi, Louisiana:**  
Room 202  
651 College Street  
Jackson 2, Miss.  
(Telephone: 353-0580)

(8) **Montana, northern Wyoming:**  
210 Livestock Exchange Building  
P.O. Box 532  
Billings, Mont.  
(Telephone: Cherry 8-6259)

(9) **Nebraska (except western part), south-western part Iowa:**  
609 Livestock Exchange Building  
Omaha 7, Nebr.  
(Telephone: 731-4085)

(10) **North Carolina, South Carolina, Virginia, District of Columbia:**  
1330 St. Mary's Street, Room 321  
Raleigh, N.C.  
(Telephone: Area Code 919, 834-9926)

(11) **Northern half Illinois, Wisconsin:**  
Livestock Exchange Building  
Union Stock Yards  
Chicago 9, Ill.  
(Telephone: Cliffside 4-7249)

(12) *Ohio, West Virginia:*  
 Room 318, Old Federal Building  
 State and Third Streets  
 Columbus 15, Ohio  
 (Telephone: Capital 4-4845)

(13) *Oklahoma, Arkansas:*  
 231 Livestock Exchange Building  
 Oklahoma City 8, Okla.  
 (Telephone: Central 6-0141)

(14) *Oregon, northern part Idaho, Washington:*  
 207 Livestock Exchange Building  
 North Portland 5, Oreg.  
 (Telephone: Butler 5-4228)

(15) *Pennsylvania, Maryland, Delaware, New Jersey, New York, New Hampshire, Maine, Massachusetts, Rhode Island, Vermont:*  
 1147 Lititz Pike  
 Lancaster, Pa.  
 (Telephone: Express 4-9531)

(16) *Southern half Illinois, eastern half Missouri:*  
 Livestock Exchange Building, P.O. Box 187  
 National Stock Yards, Ill.  
 (Telephone: Upton 4-2806, Bridge 4-2111)

(17) *Tennessee, Kentucky:*  
 211 Livestock Exchange Building  
 Nashville 3, Tenn.  
 (Telephone: Alpine 4-5779)

(18) *Texas, southwestern New Mexico:*  
 237 Livestock Exchange Building  
 Fort Worth 6, Tex.  
 (Telephone: Market 6-5158)

(19) *Utah, southern part Idaho, southwestern part Wyoming, northeastern Nevada:*  
 P.O. Box 1463  
 625 David Eccles Building  
 Ogden, Utah  
 (Telephone: Export 2-7569)

(20) *Western Missouri, Kansas:*  
 760 Livestock Exchange Building  
 Kansas City 2, Mo.  
 (Telephone: Victor 2-0494)

## **SUBOFFICES**

(1) *Suboffice of Sioux City, Iowa:*  
 201 Iowa Building  
 505 Sixth Avenue  
 Des Moines, Iowa  
 (Telephone: Cherry 3-2171, Ext. 521)

(2) *Suboffice of Huntington Park, Calif.:*  
 Room 837, Appraisers Building  
 630 Sansome Street  
 San Francisco 11, Calif.  
 (Telephone: Yukon 1-7044, Area Code 415)

(3) *Suboffice of Kansas City, Mo.:*  
 21 Livestock Exchange Building  
 Wichita 14, Kans.  
 (Telephone: Forest 3-1676)

(4) *Suboffice of Lancaster, Pa.:*  
 Room 210, U.S. Post Office Building  
 Garden and Grove Streets  
 Passaic, N.J.  
 (Telephone: Prescott 3-4903)

(5) *Suboffice of South St. Paul, Minn.:*  
 Room 108, Livestock Exchange Building  
 West Fargo, N. Dak.  
 (Telephone: Butler 2-4179)

*Remember . . .*

**PROPERLY KEPT RECORDS WILL ENABLE YOU  
TO MAKE THE REQUIRED ANNUAL REPORT OF  
YOUR LIVESTOCK BUSINESS OPERATIONS TO  
THE PACKERS AND STOCKYARDS DIVISION.**

**IF YOU HAVE RECORDS PROBLEMS OR QUESTIONS ON YOUR RESPONSIBILITIES UNDER THE P&S ACT, WRITE OR CALL YOUR PACKERS AND STOCKYARDS DIVISION DISTRICT OFFICE.**



Growth Through Agricultural Progress